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FIFA chief's World Cup ticket scam

By ANDREW JENNINGS

Last updated at 15:05 12 September 2006

One of FIFA's most senior figures secretly set up deals to sell thousands of World Cup tickets worth millions of pounds — including 900 destined for England fans — on the black market, Sportsmail can reveal.

Vice-president Jack Warner flagrantly defied FIFA's rules, but confidential auditors' reports exposing his activities before and during the

tournament have been suppressed.

Sportsmail has acquired the confidential reports produced for FIFA by auditors Ernst & Young revealing how Warner was allowed to amass a

fortune trading in tickets for Germany 2006

One report estimated he and son Daryan cleared a profit of at least £500,000 on 5,400 tickets for

England, Mexico and Japan matches

The lenient treatment of Warner — who controls 35 crucial votes that keep FIFA president Sepp Blatter in power — contrasts starkly with the fate of fellow executive committee member Ismail Bhamjee in June.

Caught selling a dozen World Cup tickets to English fans, Bhamjee was instantly expelled.

Kevin Miles, international co-ordinator for the Football Supporters' Federation, said: 'The black market in tickets was the big scandal at this World Cup. There is growing evidence that this corruption goes to the heart of FIFA.

'Every ticket on the black market is a ticket that has been initially supplied by FIFA to someoneONE of FIFA's most senior figures secretly set up deals to sell thousands of World Cup tickets worth millions of pounds — including 900 destined for England fans — on the black market, Sportsmail can reveal.

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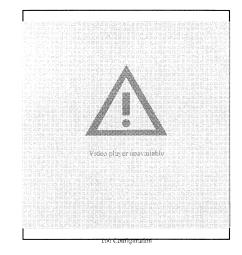
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Kevin Miles, international co-ordinator for the Football Supporters' Federation, said: 'The black market in tickets was the big scandal at this World Cup. There is growing evidence that this corruption goes to the heart of FIFA.

'Every ticket on the black market is a ticket that has been initially supplied by FIFA to someone more interested in making money than watching football. This parasitic profiteering at the expense of genuine fans has got to stop.'

The Warners began operations in June 2005, using their private Simpaul travel company in Trinidad to strike secret deals to sell thousands of packages of rooms and tickets to agents around the world.



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FIFA turned a blind eye but were forced to act when the Trinidad media revealed last December that Warner charged huge mark-ups on Simpaul ticket-and-room packages.

FIFA's ethics committee criticised Warner's ticket deals, concluding he had abused his position to obtain personal benefits and failed to declare his business interests.

But in March the executive committee absolved him after he claimed he had severed connections with Simpaul.

In fact, Daryan Warner continued as managing director of Simpaul and Jack Warner's personal assistant Patricia Modeste, who gave her address as Warner's office in Port of Spain, remained company secretary.

Through Simpaul, the Warners secretly sold 'England Packages' to David Gambier of the Abingdon-based Sports World Group, guaranteeing 900 tickets for England's first-round matches. Another deal was struck with Miami-based Soccer Travel to supply 1,500 tickets for Mexico's initial games.

Then Simpaul contracted to supply an astonishing 3,000 tickets for Japan's first three matches. Hotel rooms were booked through Florida-based Kick Sports Inc — who ordered additional tickets to sell in Europe. These middlemen began taking advances from customers as early as November 2005. Finally, the Warners struck another profitable deal to supply £1.7m worth of hotel rooms in Germany.

Ernst & Young obtained Daryan's emails confirming details of various deals, all copied to his father

Warner's demands for tickets became so outrageous that the Manchester-based Byrom

company, operators of FIFA's ticket office, tipped off Ernst & Young, who had been appointed to monitor potentially suspicious deals.

Two Ernst & Young accountants twice interviewed Warner Jnr but he scoffed at their requests for detailed information required by the FIFA-Simpaul contract and said he would refuse to hand over documents.

Again FIFA took no action.

The auditors were called in again on June 20 when Swiss travel agent Antonio Gallicchio turned up at FIFA's Berlin hotel, complaining he had not received all the 100 euro tickets that he was paying 400 euros for.

He revealed that on June 14 Warner Jnr collected 180 tickets, ordered by his father, from FIFA's ticket office in Berlin and immediately handed them to Kick Sports.

The huge volume of tickets demanded by Warner rang alarm bells in FIFA's ticket office and a further Ernst & Young report submitted on July 8 to FIFA listed another 292 tickets ordered and paid for by Warner Snr, then resold at huge profits.

They concluded: 'Tickets (bought by) Jack Warner were transferred or resold into the secondary market in breach of 2006 World Cup ticketing

general terms and conditions.' Yet again FIFA did not act

Warner Snr submitted a further demand for an astonishing 1,245 tickets for second-round matches. It was not fulfilled.

Four years ago Sportsmail alleged that Warner Snr had made a \$350,000 profit selling World Cup tickets in 2002.

Last night, FIFA spokesman Andreas Herren declined to reveal how many tickets Warner Snr ordered or received or explain why the audit reports had been kept secret for so long.

Herren claimed the matter would be discussed at this Friday's executive committee meeting in Zurich at the request of Jack Warner — although there is no mention of it on the agenda published last week.

The confidential FIFA Ethics committee report on Warner plus two critical reports submitted by Ernst & Young can be downloaded at:

www.transparencyinsport.org

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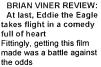
























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